during the years 1989 and 1990, and that no limit has been sanctioned to it since 1986-87?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) The recommended proportions for providing refinance to the Regional Rural Banks (RRBs) amongst sponsor banks, National Bank for Agriculture & Rural Development (NABARD) and RRBs own involvement are as under:

	Short term (Seasonal Agricultural Operations)	Short terms (Non-Seasonal Agricultural Operations)	Medium term Non-schematic
Sponsor Bank	20	20	20
NABARD	50	50	60
RRBs own involvement	30	30	20

The sponsor banks are not to contribute refinance assistance for schematic purposes where NABARD provides refinance at varying rates and the balance is met by RRBs own resources. The bulk of the loaning by RRBs falls under schematic refinance.

(b) The sponsor bank provides refinance as per the stipulated norms provided the RRBs fulfil eligibility criteria for availment of refinance facility based on recovery percentage in the previous year. RRBs sponsored by the United Bank of India were provided with refinance facility as per their drawal application upto March, 1991 and there were no pending cases.

(c) The sponsor bank has reported that Nadia Gramin Bank had applied for short-term (Seasonal Agricultural Operations) limit of Rs. 60 lakhs and Medium-term (Non-schematic) limit of Rs. 25 lakhs for the year July 1990-June, 1991. The appraisal of refinance proposal revealed that Nadia Gramin Bank had excess of refinance funds to the tune of Rs. 257 lakhs based on their available resources and scale of lending operations. However, in the year 1986 Rs. 20 lakhs as refinance was sanctioned by the sponsor bank to the Gramin Bank and Rs. 26 lakhs was sanctioned in the year 1987.

Closure of Regional Rural Banks

3418. SHRI ASHIS SEN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have decided to close down branches of Regional Rural Banks which are not earning profits; and

(b) whether it is also a fact that UCO Bank has, instructed the Regional Rural Banks sponsored by it to identify unviable branches and arrange for their winding up?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) There is no proposal under consideration to close down the branches of Regional Rural Banks (RRBs) functioning in the country. However, pursuant to the recommendations of the Committee on Financial System (Narasimham Committee), the reorganisation of rural credit delivery system including restructuring of RRBs would be considered.

(b) UCO Bank has reported that while it has instructed the RRBs sponsored by it to identify unviable branches for taking corrective measures, it has not issued any instructions for winding up such branches.

Insurance Policy for Proving Social Security

3419. SHRI RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a representation dated 19.12.1991 from Policy Holders Servicing and Research Institute, Calcutta, has been received by his Ministry;

(b) if so, whether the said representation deals with a unique insurance policy providing complete social security to the people;

(c) if so, what are the details of the scheme; and

(d) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) A copy of the press release dated 21st November, 1991 regarding complete social security by way of free life insurance cover to the total population that puts no load on the Govt. Exchequer but instead boosts up